

## REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: February 12, 2007

ANALYST: Jennifer E. Pittman

- I. COMMITTEE: Pederson 2006  
C00414664  
Carter Olson, Treasurer  
P.O. Box 34144  
Phoenix, AZ 85067
- II. RELEVANT STATUTE: 2 U.S.C. §434(a)(6)(B);  
11 CFR §§400.9(a) and 400.21(a)
- III. BACKGROUND:

**Millionaire Provision Reporting Problems (Failure to timely file 24-Hour Notice of Expenditures from Candidate's Personal Funds)**

Pederson 2006 ("the Committee") failed to timely file a 24-Hour Notice of Expenditure from Candidate's Personal Funds (FEC FORM 10) after exceeding the \$648,720.00 reporting threshold amount established for Arizona Senatorial Candidates<sup>1</sup> (Attachment 2).

On September 2, 2005, James E. Pederson ("the Candidate") filed a FEC FORM 2 (Statement of Candidacy) with the Senate Public Records Office. The "Declaration of Intent to Expend Personal Funds" portion of the form disclosed \$800,000.00 on line 9(a) (Declaration of Intent to Expend Personal Funds for the Primary Election). (Image 25038892012)

On February 3, 2006, the Committee filed the 2005 Year End Report covering the reporting period October 1, 2005 to December 31, 2005 (Image

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<sup>1</sup> The threshold amount for Senate candidates is calculated using a formula that includes the voting age population (VAP) multiplied by \$0.08. Specifically the calculations for Arizona is ((4,359,000 x \$0.08) + \$300,000.00 = \$648,720.00).

26020110001). The report disclosed no expenditures from the Candidate's personal funds.

On April 7, 2006, the Committee filed a FEC FORM 10 (24-Hour Notice of Expenditure from Candidate's Personal Funds) disclosing one (1) expenditure of personal funds for the 2006 Primary Election totaling \$2,000,000.00 on line 10(a) (Expenditures of Personal Funds). The itemized expenditure was a \$2,000,000.00 candidate contribution with a reported expenditure date of March 31, 2006. The \$2,000,000 candidate contribution triggered the reporting threshold, and thus the FEC FORM 10 (Expenditure from Candidate's Personal Funds) was filed six (6) days late (Image 26039031120).

On April 15, 2006, the Committee filed an April Quarterly Report covering the reporting period of January 1, 2006 through March 31, 2006 (Image 26020282019). The report disclosed the receipt of a \$2,000,000.00 contribution from the Candidate on line 11(d) (Contributions from the Candidate) of the Detailed Summary Page (Image 26020282021).

On September 19, 2006, a Request for Additional Information (RFAI) referencing the FEC FORM 10 (24-Hour Notice of Expenditure from Candidate's Personal Funds) dated April 7, 2006, was sent by RAD to the Committee. The RFAI noted that the FEC FORM 10 (24-Hour Notice of Expenditure from Candidate's Personal Funds) for the \$2,000,000.00 expenditure received on March 31, 2006 appeared to have been filed outside of the required time frame (Image 26039184116).

On October 11 and October 16, 2006, Committee letters were received regarding the RFAI sent on September 19, 2006. The Assistant Treasurer, Lois Pfau, stated within the duplicate letters, "Please note the Committee makes every effort to file reports in a timely manner and have implemented procedures to ensure timely filing in the future." (Images 26020701459 and 26020753502)

On February 8, 2007, the RAD Analyst called and left a message asking that the Assistant Treasurer of the Committee contact the Commission. The Analyst also attempted to leave a message for the Treasurer; however, his contact number was no longer in service (Attachment 3).

On February 9, 2007, Darryl Tattrie contacted the RAD Analyst. Mr. Tattrie explained that he processes all of the filings and paper work for the Committee. The Analyst informed Mr. Tattrie of the pending referral to the Office of General Counsel (OGC) and also advised the Committee to submit any additional information concerning the matter. Mr. Tattrie stated that the contact information for the Treasurer of the Committee was outdated and provided an updated contact number (Attachment 3).

PEDERSON, JIM

ID #58AZ00142

PEDERSON 2006

CARTER OLSON

FILING FREQUENCY: QUARTERLY

PO BOX 34144

PHOENIX

SENATE

AZ 85067

ID #C00414664

FORM TYPE	RPT TYPE	AI	PGI	REC DATE	PGS	BEG IMAGE	COVERAGE DATES	BEG CASH	RECEIPTS	DISBURSE	END CASH	DEBTS BY
NS		X		9/14/2006	2	26039182723						
NS		X		9/14/2006	4	26020672548						
NS		T		10/11/2006	4	26020701459						
NS		T		10/16/2006	4	26020753502						
NS		X		10/17/2006	4	26020880219						
NS		X		10/17/2006	3	26039262772						
NS		X		10/20/2006	4	26020691715						
NS		X		10/21/2006	3	26039262783						
NS		4		10/22/2006	5	26020883213						
NS		4		10/23/2006	7	26020880779						
NS		4		10/23/2006	5	26020890758						
NS		4		10/24/2006	6	26020891284						
NS		4		10/25/2006	5	26020891710						
NS		4		10/27/2006	5	26020952471						
NS		4		10/29/2006	5	26020952880						
NS		4		11/01/2006	6	26020971036						
NS		4		11/02/2006	5	26020971480						
NS		4		11/02/2006	5	26020971446						
NS		4		11/03/2006	6	26020973267						
NS		4		11/03/2006	6	26020973273						
NS		4		11/03/2006	6	26020973279						
NS		4		11/03/2006	7	26020973285						
NS		4		11/04/2006	6	26020973390						
NS		4		11/04/2006	5	26020973563						
NS		4		11/05/2006	5	26020973809						
RQ		4		9/19/2006	3	26039184116	9/19/2006					
RQ	Q3	2		11/28/2006	4	26039280144	8/24/2006 9/30/2006					
3	Q3	N		10/14/2005	151	25020470711	7/01/2005 9/30/2005	0	723444	50942	672502	0
3	Q3	A		11/28/2005	156	25020522986	7/01/2005 9/30/2005	0	732344	59342	673002	0
3	YE	N		2/03/2006	321	26020110001	10/01/2005 12/31/2005	673002	809409	411406	1071006	0
3	Q1	N		4/15/2006	394	26020282019	1/01/2006 3/31/2006	1071006	2419416	765592	2724830	0

Attachment 1

28044204270

PEDERSON, JIM

ID #S6AZ00142

PEDERSON 2006

CARTER OLSON

FILING FREQUENCY: QUARTERLY

PO BOX 34144

PHOENIX

SENATE

AZ 85067

ID #C00414664

FORM TYPE	RPT TYPE	AI	PGI	REC DATE	PGS	BEG IMAGE	COVERAGE DATES	BEG CASH	RECEIPTS	DISBURSE	END CASH	DEBTS BY
3	Q2	N		7/19/2006	515	26020512446	4/01/2006 6/30/2006	2724830	2342179	3344348	1722661	0
3	Q2	A		8/04/2006	204	26020582182	4/01/2006 6/30/2006	2724830	2342179	3344348	1722661	0
3	12P	N		8/28/2006	266	26020621209	7/01/2006 8/23/2006	1722861	2214477	2440273	1486866	0
3	Q3	N		10/12/2006	260	26020751825	8/24/2006 9/30/2006	1496866	2984062	3279225	1181703	0
3	Q3	A		12/22/2006	3	26021111051	8/24/2006 9/30/2006	-	-	-	-	-
3	Q3	A		1/09/2007	4	27020010567	8/24/2006 9/30/2006	-	-	-	-	-
3	12G	N		10/23/2006	155	26020922383	10/01/2006 10/18/2006	1181703	925015	2014430	92267	700000
3	30G	N		12/07/2006	385	26021071282	10/19/2006 11/27/2006	92262	2228015	2304881	13396	2533729
3	YE	N		1/30/2007	49	27020050255	11/28/2006 12/31/2006	13396	74344	83577	4183	2533729
TOTAL									14707261	14733074		

Attachment 1

28044204271

**Pederson 2006 (C00414664)**

**Candidate Expenditures filed late for 2006 Arizona Primary Election**

\$2,000,000.00	Contribution	3/31/06	Q1 2006	\$2,000,000.00	Yes	4/7/06	6

**Attachment 2**

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